SUPPLEMENT NO. 3 TO PART 774—STATEMENTS OF UNDERSTANDING

Statement of Understanding—medical equipment: Commodities that are "specially designed for medical end-use" that "incorporate" commodities or software on the Commerce Control List (Supplement No. 1 to part 774 of the EAR) that do not have a reason for control of Nuclear Nonproliferation (NP), Missile Technology (MT), or Chemical & Biological Weapons (CB) are designated by the number EAR99 (i.e., are not elsewhere specified on the Commerce Control List).

NOTES APPLICABLE TO STATE OF UNDER-STANDING RELATED TO MEDICAL EQUIPMENT: (1) "Specially designed for medical end-use" means designed for medical treatment or the practice of medicine (does not include medical research).

(2) "Incorporate" into medical equipment means to integrate with, or work indistinguishably into such equipment.

- (3) Except for such software that is made publicly available consistent with §734.3(b)(3) of the EAR, commodities and software "specially designed for medical end-use" remain subject to the EAR.
- (4) See also \$770.2(b) interpretation 2, for other types of equipment that incorporate items on the Commerce Control List that are subject to the EAR.
- (5) For computers used with medical equipment, see also ECCN 4A003 note 2 regarding the "principal element" rule.
- (6) For commodities and software specially designed for medical end-use that incorporate an encryption or other "information security" item subject to the EAR, see also Note 1 to Category 5, Part II of the Commerce Control List.

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**PARTS 775-799 [RESERVED]**